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December 19, 2005

VIA HAND DELIVERY

Mary Cottrell, Secretary Department of Telecommunications and Energy One South Station Boston, MA 02110

Re:

Petition of Cambridge Electric Company, Cambridge Electric Light Company and Commonwealth Electric Company, d/b/a/ NSTAR Electric, for approval of revised tariffs relating to the terms and conditions for distribution services and competitive suppliers

D.T.E. 05-84 - INITIAL COMMENTS OF THE CAPE LIGHT COMPACT

Dear Secretary Cottrell:

We represent the Cape Light Compact, a municipal aggregator under G.L. c. 164, § 134, that consists of the towns of Aquinnah, Barnstable, Bourne, Brewster, Chatham, Chilmark, Dennis, Edgartown, Eastham, Falmouth, Harwich, Mashpee, Oak Bluffs, Orleans, Provincetown, Sandwich, Tisbury, Truro, West Tisbury, Wellfleet, and Yarmouth, and the counties of Barnstable and Dukes County, acting together as the Cape Light Compact (the "Compact"). The Compact is organized through a formal Inter-Governmental Agreement signed by all of the towns, as well as Barnstable and Dukes counties, pursuant to G.L. c. 40, § 4A.

On November 21, 2005, Boston Edison Company, Cambridge Electric Light Company and Commonwealth Electric Company, d/b/a NSTAR Electric (together, "NSTAR"), filed with the Department of Telecommunications and Energy (the "Department") proposed revised tariffs M.D.T.E. Nos. 100A, 101A, 200A, 201A, 300A and 301A, with an effective date of January 1, 2006. (By order dated December 7, 2005, the Department suspended the tariffs for further investigation until February 1, 2006.)

According to NSTAR, the proposed tariff revisions are designed to address load volatility relating to the alleged practice of certain retail competitive suppliers switching large commercial and industrial ("C&I") customers on and off of default service multiple times within a short period of time. NSTAR contends that this practice has resulted in increased default service prices for those customers that are unable to take advantage of multiple switching. The proposed

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tariff revisions prohibit customers taking default service from returning to the same retail competitive supplier that previously served them for a period of six months from the effective date of the change from competitive generation service to default service.

The Compact strongly encourages the Department to reject NSTAR's proposed tariff revisions. Requiring a "minimum stay" of six months would restrict customer choice and erect a serious impediment to development of the competitive marketplace in Massachusetts. Default service was intended to serve as a *safety* net for customers between competitive suppliers – not a net that *ensnares* customers who are ready and willing to return to a competitive supplier (or a municipal aggregator's competitive supply program). Allowing such a tariff would be a drastic move that should not be undertaken absent compelling evidence that it is necessary, and even then, any tariff modification should be narrowly tailored to meet the specific need. NSTAR has not met this burden.

If the Department were to allow such a tariff, it should nonetheless even the resulting playing field for municipal aggregators, either by requiring that the minimum stay not apply to a customer's switch from default service to a municipal aggregator's competitive supply program or by allowing a municipal aggregator to likewise impose a minimum stay. The Compact's strong preference is for the Department to reject NSTAR's proposed tariffs and to avoid any such restrictions on customer choice.

The Compact appreciates the opportunity to submit the foregoing comments.

Sincerely,

THE CAPE LIGHT COMPACT

By its attorneys,

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JSK/drb

cc: John K. Habib, Esq., Keegan Werlin LLP Margaret Downey, Cape Light Compact